



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 6, 2002

H.R. 3223

Jicarilla Apache Reservation Rural Water System Act

As ordered reported by the House Committee on Resources on June 26, 2002

SUMMARY

H.R. 3223 would require the Secretary of the Interior through the Bureau of Reclamation to plan, design, and construct water supply, delivery, and wastewater collection systems on the Jicarilla Apache Reservation in New Mexico. In addition, the bill would require the Secretary to turn over title to the system to the tribe, who would assume responsibility for operating, maintaining and replacing it.

Assuming appropriation of the necessary funds, CBO estimates that implementing H.R. 3223 would cost \$38 million over the 2002-2007 period. H.R. 3223 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 3223 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. The project authorized by this legislation would benefit the Jicarilla Apache Nation. Any costs incurred by the tribe as a result of its participation in the project would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3223 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					
	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority ^a	3	0	0	0	0	0
Estimated Outlays	1	2	0	0	0	0
Proposed Changes						
Estimated Authorization Level	0	9	9	10	10	10
Estimated Outlays	0	3	6	9	10	10
Spending Under H.R. 3223						
Estimated Authorization Level	3	9	9	10	10	10
Estimated Outlays	1	5	6	9	10	10

a. The 2002 level is the amount appropriated for the Jicarilla Municipal Water System.

BASIS OF ESTIMATE

CBO estimates that the bill would authorize the appropriation of about \$48 million (including adjustments for anticipated inflation) to complete the Jicarilla project. For this estimate, CBO assumes that H.R. 3223 will be enacted by the start of fiscal year 2003 and that the necessary funds will be appropriated for each year. CBO estimates that completion of the project would cost \$38 million over the 2003-2007 period and \$10 million after 2007. Based on information from the Bureau of Reclamation, CBO expects that funds would be appropriated in roughly equal installments over the next five years.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3223 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The project authorized by this legislation would benefit the Jicarilla Apache Nation. Any costs incurred by the tribe as a result of its participation in the project would be voluntary.

ESTIMATE PREPARED BY:

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